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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 OR 15(d)
of the Securities Exchange Act of 1934

For the Quarterly Period Ended February 29, 1992

Commission File Number: 000-19744

CLINICORP,INC.
(Exact name of registrant as specified in its charter)

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Delaware	59-3068714
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer ntification No.)

3491 Gandy Boulevard North, Pinellas Park, Florida 34665
(Address of principal executive offices) (Zip Code)

(813) 577-3500
(Registrant's telephone number, including are code)

Not applicable
(Former name, former address and former fiscal year,
if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. [X] Yes [ ] No

2,235,000 shares of common stock were issued and outstanding as of February 29, 1992.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

CLINICORP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF OPERATIONS (Unaudited)
FOR THE PERIOD (FROM INCEPTION)
MAY 28, 1991 THROUGH FEBRUARY 29, 1992

Revenue		
Sales	$	162,974
Consulting fees		203,283
Total sales		366,257
Costs of operations		
Cost of sales		138,731
Cost of consulting fee		163,841
Administrative expense		510,826
		813,398
Operating loss		(447,141)
Other income (expense)		
Interest income		12,595
Interest expense		(2,971)
Miscellaneous		10,476
		20,100
Loss before income taxes		(427,041)
Income taxes		--
NET LOSS	$	(427,041)
Loss per common share	$	(0.26)
Weighted average shares outstanding		1,668,888

The accompanying notes are an integral part of these financial statements.

CLINICORP, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET (Unaudited)
AS OF FEBRUARY 29, 1992

ASSETS

CURRENT ASSETS		
Cash and cash equivalents	$	3,023,472
Accounts receivable, net		233,054
Accrued interest receivable		7,217
Inventory		250,455
Due from officers		63,420
Prepaid expenses		72,302
Other		9,996
Total current assets		3,659,916
PLANT AND EQUIPMENT - AT COST		
Furniture, fixtures and equipment		580,213
Equipment on lease		110,437
		690,650
Less accumulated depreciation and amortization		10,056
		680,594
Construction in progress		188,236
		868,830
OTHER NONCURRENT ASSETS		
Intangible asset, net of accumulated amortization of $17,270		1,993,996
Deposits		8,225
		2,002,221
	$	6,530,967

The accompanying notes are an integral part of these financial statements.

CLINICORP, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET (Unaudited)
AS OF FEBRUARY 29, 1992

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES		
Current maturities of long-term obligations	$	39,203
Notes payable		35,351
Accounts payable		299,088
Sales tax payable		2,557
Accrued liabilities		104,909
Unearned revenue		53,754
Total current liabilities		534,862
LONG-TERM OBLIGATIONS, less current maturities		22,612
STOCKHOLDERS' EQUITY		
Preferred stock - $.10 par value, 500,000 shares authorized:		
Series A, 45,000 issued and outstanding		4,500
Series B, 12,600 issued and outstanding		1,260
Common stock, $.01 par value, 10,000,000 shares authorized, 2,235,000 shares issued and outstanding		22,350
Additional paid-in capital		6,372,424
Accumulated deficit		(427,041)
		5,973,493
	$	6,530,967

The accompanying notes are an integral part of these financial statements.

CLINICORP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)
FOR THE PERIOD (FROM INCEPTION)
MAY 28, 1991 THROUGH FEBRUARY 29, 1992

Cash flows from operating activities:	
Net loss	$ (427,041)
Adjustments to reconcile net loss to net cash provided by operating activities:	
Depreciation and amortization	27,326
Changes in operating assets and liabilities net of effect from business acquisition	
(Increase) in account receivable	(233,054)
(Increase) in accrued interest receivable	(7,217)
(Increase) in inventory	(5,274)
(Increase) in prepaid expenses	(56,439)
(Increase) in other assets	(9,996)
Increase in accounts payable	239,287
Increase in sales tax payable	2,557
Increase in accrued liabilities	75,571
Increase in unearned revenue	53,754
Net cash used by operating activities	(340,526)
Cash flows from investing activities:	
Purchases of furniture and equipment	(113,349)
Purchase of assets under construction	(72,100)
Increase in deposits	(6,055)
Increase in loans to officers	(63,420)
Organization costs incurred	(3,157)
Business acquisition	(2,800,000)
Net cash used in investing activities	(3,058,081)
Cash flows from financing activities:	
Proceeds from issuance of common stock	6,394,774
Proceeds from issuance of preferred stock	5,760
Proceeds from debt instruments	252,377
Payments on debt instruments	(230,832)
Net cash provided from financing activities.	6,422,079
Net increase in cash and cash equivalents	3,023,472
Cash and cash equivalents at beginning of period	---
Cash and cash equivalents at end of period	$ 3,023,472

The accompanying notes are an integral part of these financial statements.

CLINICORP, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 - Basis of Presentation

The accompanying consolidated financial statements include the accounts of Clinicorp, Inc. (the "Company"), a Delaware corporation and its wholly owned subsidiaries, Back & Neck Pain Clinics of America, Inc., PMA Management Services, Inc., Clinicorp Retail Sales, Inc. and Clinicorp Leasing Company, Inc.. All significant intercompany accounts and transactions have been eliminated. The Company's interim consolidated financial statements are unaudited.

On January 22, 1992 the Company purchased certain assets and the business organization of Practice Management Associates, Inc. ("PMA") which enabled the Company to commence active operations. Prior to this date the Company was engaged primarily in obtaining the financing for this acquisition and planning for its subsequent sustained operations. The Company incurred no significant costs prior to December 1, 1991, therefore the amounts in these financial statements reflect the data for both the quarter ended February 29, 1992 and the year to date period.

In the opinion of the Company, all adjustments necessary for a fair presentation of such consolidated financial statements have been included. Such adjustments consist only of normal recurring items. Interim results are not necessarily indicative of results for a full year.

The interim consolidated financial statements and notes thereto are presented as permitted by the Securities and Exchange Commission, and do not contain certain information which will be included in the Company's annual consolidated financial statements and notes thereto.

Note 2 - Business Acquisition

On January 22, 1992 the Company purchased certain assets and the business organization of PMA, a chiropractic management consulting firm. The assets purchased consisted of inventory, fixed assets, leasehold improvements, certain contract rights and obligations, copyrights, intellectual property, and other miscellaneous assets. Contracts involved in pending multi-district litigation with PMA and the receivables associated therewith and a direct financing lease were not purchased.

The Company received assets of approximately $964,800 for which they paid PMA $2,800,000 in cash and assumed certain liabilities aggregating $164,800. As a result of this acquisition the Company has recorded goodwill of $2,000,000 which is being amortized over 15 years.

The Company assumed the executory obligations of affiliates of PMA under certain software and equipment leases, as well as certain computer system support agreements. In addition the Company assumed guarantees on certain equipment leases entered into by chiropractors with an independent third party leasing company. These guarantees were originally made by PMA and Dr. Peter G. Fernandez, and were assumed as part of the purchase agreement.

Item 2 Management's Discussion and Analysis of Financial Condition and Results of Operations

A. Consolidated Results of Operations

The following discussion presents areas that have materially effected the consolidated results of operations which have occurred during the period May 28, 1991 through February 29, 1992.

Sales and cost of sales

Sales represent revenues generated by Clinicorp Retail Sales, Inc. and Clinicorp Leasing Company, Inc.. Sales and related cost of sales of the equipment, office supplies, and printing divisions are consolidated under Clinicorp Retail Sales, Inc.. These divisions sell chiropractic equipment, general office supplies, and printing, primarily to doctors of chiropractic. Clinicorp Leasing Company, Inc. leases equipment and proprietary software to chiropractors.

Sales of $162,974 and a cost of sale of $138,731 resulted in a gross margin percentage of 14.87%. This percentage applies from the date operations commenced of January 22, 1992 to February 29, 1992. The cost of sales figure of $138,731 includes cost of goods sold, salaries and related expenses, and general operating expenses amounting to $89,436, $31,127 and $18,168 respectively. Salaries and related expenses, and general operating expenses are generally fixed in nature. These costs will not fluctuate significantly with changes in sales volume. As such the gross margin percentage is subject to fluctuation as a direct result of sales volume.

The decline in chiropractors attending the Company's seminars has had an adverse effect on retail sales. This decline results in fewer potential clients which can purchase or lease office equipment, or purchase office supplies and printing services.

Subsequent to the acquisition the Company has consolidated the separate sales companies of PMA into one subsidiary, Clinicorp Retail Sales, Inc., enabling it to capitalize on the economies of scale related to advertising, purchasing, and personnel. Through a coordinated marketing effort, the Company is now presenting its product lines without duplication of cost. The Company is also evaluating the market and, if warranted, plans to offer new product lines. In addition, the Company is currently revising and updating its proprietary software. The completion of such revisions will culminate in a strong marketing effort which will introduce the updated software to the chiropractic field. Software sales and leases have no fixed costs assigned to the product. The Company believes that the development costs incurred for these revisions should be insignificant and will be expensed in the period they are incurred.

Consulting fees and cost of consulting fees

Consulting fees represent revenues generated by PMA Management Services, Inc. through consulting contracts and seminar fees, as well as revenues generated through computer support agreements serviced under Clinicorp Computers, a division of Clinicorp Retail Sales, Inc..

Consulting fees of $203,283 and costs of consulting of $163,841 resulted in a gross margin percentage of 19.4%. This percentage applies from the date operations commenced of January 22, 1992 to February 29, 1992. Cost of consulting fees represent expenses associated with providing services under the contracts noted above. Such costs of $163,841 include all salaries and related expenses, seminar productions, and general operating expenses of $65,475, $56,788 and $41,578 respectively. These costs are usually fixed in nature and therefore, as a percentage of consulting revenue, are directly affected by fluctuations in attendance at the Company's seminars.

Prior to the assumption by the Company of certain executory obligations from PMA for consulting contracts, certain factors were identified that caused significant declines in the revenues being generated through such contracts. Management is currently evaluating the services being provided under these contracts as well as other outside factors, and is developing a strategy relative to its influence within the chiropractic consulting business.

Administrative costs

Administrative costs were $510,826. Included in this amount are expenses pertaining directly to the public stock offering and other costs associated with the acquisition of PMA. Salaries and related expenses of management and administrative staff account for $98,501 of the total administrative expense.

The Company incurred expenses of $253,241 related to the acquisition of certain assets of PMA including legal and administrative costs. Included in this amount is $47,400 relating to expenses associated with a delay in the initial public offering.

B. Financial Position, Liquidity and Capital Resources

The Company has financed its growth through the issuance of $7.5 million of Common Stock in January 1992. The net proceeds from this offering have been used and will continue to be used to acquire businesses related to the chiropractic field as well as general corporate purposes. At February 29, 1992 the Company had working capital of $3.1 million, which the Company believes is adequate for its normal business purpose.

The Company is in various stages of negotiation with chiropractors on the sale of their practices to the Company, and has entered into letters of intent to acquire several chiropractic clinics and other chiropractic related organizations located throughout the United States. All such agreements contain a clause regarding the Company's ability to obtain adequate financing to complete the acquisition.

Based upon such acquisition activities the Company anticipates the need to obtain additional funding, and has begun preliminary discussions with both investment bankers and traditional lenders for such capital needs. The Company anticipates obtaining adequate financing either through the use of traditional bank financing, a private placement, or another registration of securities.

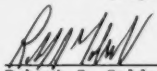
PART II - OTHER INFORMATION

None

SIGNATURES

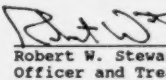
Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CLINICORP, INC.
(Registrant)



Date April 13, 1992

Robert S. Goldsamt, Chairman
and Chief Executive Officer



Date April 13, 1992

Robert W. Stewart, Chief Financial
Officer and Treasurer